

103
**NOMINATIONS OF SUSAN G. ESSERMAN AND
CHARLES F. MEISSNER**

Y 4. F 49: S. HRG. 103-531

Nominations of Susan G. Esserman an...

HEARING

BEFORE THE

**COMMITTEE ON FINANCE
UNITED STATES SENATE**

ONE HUNDRED THIRD CONGRESS

SECOND SESSION

ON THE

NOMINATION OF

**SUSAN G. ESSERMAN TO BE ASSISTANT SECRETARY OF COMMERCE
FOR IMPORT ADMINISTRATION AND CHARLES F. MEISSNER TO BE AS-
SISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC
POLICY**

MARCH 22, 1994



Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

79-419-CC

WASHINGTON : 1994

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402

ISBN 0-16-044307-5

103
**NOMINATIONS OF SUSAN G. ESSERMAN AND
CHARLES F. MEISSNER**

Y 4. F 49: S. HRG. 103-531

Nominations of Susan G. Esserman an...

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
ONE HUNDRED THIRD CONGRESS

SECOND SESSION

ON THE

NOMINATION OF

SUSAN G. ESSERMAN TO BE ASSISTANT SECRETARY OF COMMERCE
FOR IMPORT ADMINISTRATION AND CHARLES F. MEISSNER TO BE AS-
SISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC
POLICY

MARCH 22, 1994



Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1994

79-419—CC

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402

ISBN 0-16-044307-5

COMMITTEE ON FINANCE

DANIEL PATRICK MOYNIHAN, New York

MAX BAUCUS, Montana

DAVID L. BOREN, Oklahoma

BILL BRADLEY, New Jersey

GEORGE J. MITCHELL, Maine

DAVID PRYOR, Arkansas

DONALD W. RIEGLE, JR., Michigan

JOHN D. ROCKEFELLER IV, West Virginia

TOM DASCHLE, South Dakota

JOHN BREAU, Louisiana

KENT CONRAD, North Dakota

BOB PACKWOOD, Oregon

BOB DOLE, Kansas

WILLIAM V. ROTH, JR., Delaware

JOHN C. DANFORTH, Missouri

JOHN H. CHAFEE, Rhode Island

DAVID DURENBERGER, Minnesota

CHARLES E. GRASSLEY, Iowa

ORRIN G. HATCH, Utah

MALCOLM WALLOP, Wyoming

LAWRENCE O'DONNELL, JR., *Staff Director*

LINDY L. PAULL, *Minority Staff Director and Chief Counsel*

CONTENTS

OPENING STATEMENTS

	Page
Moynihan, Hon. Daniel Patrick, a U.S. Senator from New York, chairman, Committee on Finance	1
Rockefeller, Hon. John D., IV, a U.S. Senator from West Virginia	2
Conrad, Hon. Kent, a U.S. Senator from North Dakota	2

ADMINISTRATION NOMINEES

Esserman, Susan G., nominee to be Assistant Secretary of Commerce for Import Administration	3
Meissner, Charles F., nominee to be Assistant Secretary of Commerce for International Economic Policy	5

ALPHABETICAL LISTING AND APPENDIX MATERIAL SUBMITTED

Conrad, Hon. Kent:	
Opening statement	2
Esserman, Susan G.:	
Testimony	3
Prepared statement	11
Biographical	12
Meissner, Charles F.:	
Testimony	5
Prepared statement	14
Biographical	16
Moynihan, Hon. Daniel Patrick:	
Opening statement	1
Rockefeller, Hon. John D., IV:	
Opening statement	2

**NOMINATIONS OF SUSAN G. ESSERMAN TO
BE ASSISTANT SECRETARY OF COMMERCE
FOR IMPORT ADMINISTRATION AND
CHARLES F. MEISSNER TO BE ASSISTANT
SECRETARY OF COMMERCE FOR INTER-
NATIONAL ECONOMIC POLICY**

TUESDAY, MARCH 22, 1994

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to notice, at 10:27 a.m., in room SD-215, Dirksen Senate Office Building, Hon. Daniel Patrick Moynihan (chairman of the committee) presiding.

Also present: Senators Baucus, Boren, Bradley, Rockefeller, Breaux, Conrad, Packwood, Danforth, Chafee, Durenberger, and Grassley.

**OPENING STATEMENT OF HON. DANIEL PATRICK MOYNIHAN,
A U.S. SENATOR FROM NEW YORK, CHAIRMAN, COMMITTEE
ON FINANCE**

The CHAIRMAN. Once again we are now in executive session to hear the nominations of Susan G. Esserman, who has been nominated to be Assistant Secretary of Commerce for Import Administration and Charles Meissner, who is well-known to this committee, to be Assistant Secretary of Commerce for International Economic Policy.

I believe, now let us see, Ms. Esserman, your husband and several of your children are with you today.

Ms. ESSERMAN. Yes.

The CHAIRMAN. Could you introduce them to the committee.

Ms. ESSERMAN. My husband—

The CHAIRMAN. That is your husband. He is the husband. And the other one is the boy, Stephen, right?

Ms. ESSERMAN. Stephen A. Clifford.

The CHAIRMAN. Good morning, gentlemen. We welcome you to the Finance Committee.

Mr. Meissner, do you have anyone here?

Mr. MEISSNER. Unfortunately, Mr. Chairman, my family is not here today. My daughter is in the Peace Corps in Costa Rica. My son is studying hard, I hope, at the University of Pittsburgh. And my wife, who is the new Commissioner of the Immigration Service

has a Congressional conflict and is appearing before Mr. Mazzoli this morning. She will be here as soon as she can.

Thank you.

The CHAIRMAN. She would be welcome in any event.

Senator Rockefeller, I believe you wanted to make an opening statement.

**OPENING STATEMENT OF HON. JOHN D. ROCKEFELLER IV, A
U.S. SENATOR FROM WEST VIRGINIA**

Senator ROCKEFELLER. Yes. I am very, very happy that Susan Esserman is before us, Mr. Chairman. I thank you very much for that. She was a partner up until very recently at Steptoe and Johnson, did her law work at the University of Michigan, graduated from Wellesley College.

I guess the most important thing I want to say is that we are headed into a period where we need to prepare implementing legislation on the GATT. This is the person who is prepared to do much of this work in terms of the Department of Commerce's responsibility if she is confirmed. It is an odd situation that if she were not to be confirmed, the Department of Commerce would have difficulty helping us in terms of the GATT implementing legislation.

Sue Esserman specialized when she was practicing law for 15 years in international trade law, including anti-dumping, counter-vailing duty, Section 201, 301, Section 406 and GSP cases. So that I am very happy that she is before us.

I have had a chance to talk with her in my office and I am very impressed by her.

The CHAIRMAN. Well, that is important in this committee, as you would know.

Senator Conrad?

**OPENING STATEMENT OF HON. KENT CONRAD, A U.S.
SENATOR FROM NORTH DAKOTA**

Senator CONRAD. Mr. Chairman, thank you. I, too, wanted to comment on Ms. Esserman's nomination with respect to the subject matter.

Let me alert my colleagues that yesterday our negotiations with Canada broke down with respect to the question of the tidal wave of Canadian grain that is coming into this country because of defects in the Canadian Free Trade Agreement, defects that are now widely acknowledged that create a totally unfair trade regime.

Mr. Chairman, the Secretary of Agriculture called me late yesterday on his way back from Toronto, told me he had been in six hours of meetings with the Canadians. The chief negotiator for the Canadians, Mr. Goodale, was there, the Chief of Staff for the Prime Minister was there; and the Canadian position is going entirely in the wrong position.

Instead of reducing their access to the U.S. market, they want to increase it. Already in durum they have taken over 20 percent of the U.S. market after having zero percent before the Canadian Free Trade Agreement. Again, not because they are more competitive, not because they are more efficient, but solely because of defects in the Canadian Free Trade Agreement.

The Secretary told me there is no sense in talking anymore. I told him I am not surprised. The time for diplomatic tea parties is over. We now need to take action unilaterally. I am very hopeful the Secretary of Agriculture will recommend such action, that the President will initiate it and that Congress will support him in that. I am joined, I am certain, in that sentiment by my colleague from South Dakota, my colleague from Montana, and Senator Dole, Senator Grassley on the other side.

This has reached crisis proportions in our part of the country. I know that Ms. Esserman will have responsibility in this area and I hope that she is sensitive to it. This is something that I fear very much could lead to escalating action on our side of the border. Already things have become very tense. I wanted to alert my colleagues to that.

The CHAIRMAN. Well, I think it would be appropriate if we asked Ms. Esserman, do you have a statement to make in general and perhaps you would like to talk in as much detail as you feel appropriate at this point about Senator Conrad's remarks and Senator Rockefeller's.

STATEMENT OF SUSAN G. ESSERMAN, NOMINEE TO BE ASSISTANT SECRETARY OF COMMERCE FOR IMPORT ADMINISTRATION

Ms. ESSERMAN. Senator Conrad, I share your concerns about industries facing a flood of imports from foreign countries. That is a primary responsibility that I would have to aggressively enforce the anti-dumping and countervailing duty laws to assist U.S. industries that confront such problems as you are noting.

I am not familiar with all of the details of the wheat situation. I understand that matter may not be before Import Administration, but I would certainly impress upon my colleagues your concern.

Senator CONRAD. Well, I appreciate that very much, Mr. Chairman and Ms. Esserman. I just say to you the interagency group will review this when the Secretary of Agriculture makes his recommendation. We have met with everyone, those Senators and Congressmen from affected States, and the case is so clear, so very clear in this area, that we hope the administration does not hesitate to take action.

The CHAIRMAN. Well, that is what these arrangements are made for. If something is out of line, it is to be mended. I mean, the question is one of true price. Is that not elementally—what is the problem as you understand it?

Senator CONRAD. Well, if I were to define it, it would be a question of dumping below their true acquisition costs.

The CHAIRMAN. True price, yes.

Senator CONRAD. And their true acquisition cost is about \$4.98 a bushel. Under a side deal that was entered into with Clayton Yeutter, as long as they are above \$2.32 they are considered not to be dumping. Well, clearly, \$2.32 is a long way from \$4.98 and that is what we are faced with.

Well, the procedures are in place to address the matter.

Ms. ESSERMAN. Yes, there are procedures in place. Of course, we have the anti-dumping and countervailing duty law and if a case

should come before the Import Administration we would aggressively proceed with that case.

Senator CONRAD. I appreciate that. Thank you.

The CHAIRMAN. You will not have to recuse yourself in a matter of this kind, would you? You did represent some Canadian firms, I believe, perfectly openly and properly.

Ms. ESSERMAN. Yes. My former firm has represented the Wheat Board and I believe for a period of 1 year I would be recused from Canadian wheat issues.

The CHAIRMAN. I see.

Senator ROCKEFELLER. Kent, how can Secretary Yeutter have done that?

Senator CONRAD. Well, that is a very good question, because it was a secret deal.

The CHAIRMAN. Oh, no.

Senator CONRAD. Yes. Mr. Chairman, I know you are shocked that that thing would happen. All of us were shocked, because right on the face of the agreement it says, neither party shall sell into the other's market at below its full acquisition cost. It is very clear.

The CHAIRMAN. Yes.

Senator CONRAD. And yet what Mr. Yeutter did was to tell the Canadians, well, it does not really mean that. We will not count the final payment the Canadian Government makes to its farmers. At that time the final payment represented 20 percent of the value of the product. They have now jacked the final payment up to 50 percent of the value of the product.

They also do not count their transportation subsidy that is 45 cents a bushel on a \$4.98 product. So all that is left is \$2.32 of a \$4.98 product to determine if they are dumping below cost. It is an outrageous situation.

I just had a man call me who had 26 trucks in one day drive by his place coming from Canada, bringing in Canadian grain, jamming the elevators where our people are supposed to be selling their grain. American farmers cannot even sell their own grain at their own elevator because of so many Canadian trucks in front of them.

I tell you, the anger level is rising. We have already had demonstrations. We have already had elevators closed because they were concerned with what would happen. I tell you, this is a pressure pot that is just building and building and building and somebody has to do something.

The CHAIRMAN. I would like to say to both of our nominees that Senator Conrad and this committee would appreciate an explanation about this side agreement, about \$2.32, because I remember coming back from the first day of consideration of the Free Trade Agreement and calling my friend, the Canadian Ambassador, and saying, sir, we have three votes. I think it was you, me and Bill Bradley.

And in the end the agreement was passed and a motion to disapprove failed 10/10. We have been very satisfied with the agreement in main, but if there are matters of this kind we ought to find out about them.

Mr. Meissner, would you like to make a statement, sir?

Mr. MEISSNER. Well, I would defer to my colleague, if she would like her statement first. Please.

The CHAIRMAN. I think we have had your statement, Ms. Esserman. [Laughter.]

Esserman, do you have a statement you would like to place in the record?

Ms. ESSERMAN. I have submitted my statement. I would be happy to do whatever you would like.

The CHAIRMAN. Thank you. You have submitted your statement.

[The prepared statement of Ms. Esserman appears in the appendix.]

The CHAIRMAN. Mr. Meissner, we want to welcome you as a career official and admire the way you can—how you can manage the tuition at Pittsburgh, I do not know, but we congratulate you on that score as well.

STATEMENT OF CHARLES F. MEISSNER, NOMINEE TO BE ASSISTANT SECRETARY OF COMMERCE FOR INTERNATIONAL ECONOMIC POLICY

Mr. MEISSNER. Thank you very much. I would just like to submit my statement to the record. I would though like to take this opportunity to thank the President for nominating me, thank the Secretary for his support and Under Secretary Garten for his support. Also, if I could, thank my family for their support in what has been a long nomination process.

As to the content and substance of my statement, I would submit it for the record, Mr. Chairman.

Thank you.

[The prepared statement of Mr. Meissner appears in the appendix.]

The CHAIRMAN. We thank you very much, sir.

Senator Packwood?

Senator PACKWOOD. I just have a couple questions of each of them. I will start with Ms. Esserman.

As you know, we are in the process of implementing legislation on fast track and the Uruguay Round. We are limited to including provisions that are necessary or appropriate to implement the agreement. I wonder what your position is, and hopefully that of the administration, on efforts to add anti-dumping or countervailing duty laws which I would call a significant amendment to our present laws and in my judgment unnecessary or not appropriate to the legislation, if you have views on that subject.

Ms. ESSERMAN. Yes, Senator, it would be my view. I would share your articulation of the scope, which is that we should include those provisions that are necessary and appropriate to fulfill our Uruguay Round commitments.

Senator PACKWOOD. Well, I understand that answer. But the problem is that anything that can get 51 votes becomes necessary or appropriate. I am hoping that you or the administration will do more than say, well, if it gets 51 votes it is necessary and appropriate and that you would help us stop the addition of things that I frankly think you would regard as an impediment to trade rather than a help.

Ms. ESSERMAN. Yes, Senator. I agree we should carefully look at the proposals and we should take into account whether the proposals that have been submitted are fully consistent with our GATT commitments, preserve the strength of our anti-dumping and countervailing duty laws and promote a rational coherent and consistent structure to our laws.

Senator PACKWOOD. I might even appreciate your personal statement. I will give you an example. When we were considering the communications legislation in the Commerce Committee, Secretary Brown testified in favor of the overall legislation. When I asked him about the "Buy America" provisions in it, he replied they were opposed but not so opposed as to defeat the whole bill.

Secretary Kantor, however, was very firm. He cannot recommend vetoing the bill. But he was very firm and adamant in his letters in opposition to the domestic content legislations. At the very time when we are trying to sell telecommunications equipment overseas and doing it successfully as demonstrated by our big balance of trade, not in telephones, but in high-end telecommunications, and as we are trying to get nations to open up their telecommunications markets, we pass a bill that closes our telecommunications market.

Ambassador Kantor says this makes it very difficult for us to argue with Japan, Germany, and France if we put that kind of legislation on the books. I hope you would not hesitate to give us your opinion on things like that.

Ms. ESSERMAN. I would not hesitate to do so.

Senator PACKWOOD. What do you think about the greenlighting subsidies in the Round?

Ms. ESSERMAN. I obviously was not a part of the negotiations, but I do believe that in developing the greenlighting the administration struck the appropriate balance overall in the Uruguay Round in strengthening the subsidies disciplines and at the same time preserving our bipartisan high-tech programs.

Senator PACKWOOD. Preserving, but in some cases codifying subsidies we previously would not have agreed to.

Ms. ESSERMAN. Actually, I think the agreement struck a very good balance. I think it is a very good agreement for U.S. exporters who face unfair competition in third countries. There are significant disciplines that were not there before, a definition of subsidies and effective dispute settlement provision that will allow our exporters to really effectively use the GATT system in a way that they had not before.

Senator PACKWOOD. There are a lot of good provisions in the agreement. I like the dispute settlement provisions. There is a disagreement as to whether we are giving up our sovereignty and I understand that. However, there are lots of good things in it.

But in exchange we have put in this greenlighting provision on things we previously could have countervailed against and which in some areas—especially research and development, up to the commercial stage—and we will not be able to bring actions against it.

That would not have been the situation prior to this agreement. I understand it is a balance.

Ms. ESSERMAN. Well, no, Senator, I think that the provision made a great deal of sense as we are leaders in R&D support and it protected our existing programs.

Senator PACKWOOD. Let me ask Mr. Meissner, whether he is familiar with the issue of debt restructuring in Latin America.

Mr. MEISSNER. Yes, sir.

Senator PACKWOOD. Do you want to expound on it a bit?

Mr. MEISSNER. Well, I think there are a number of debt problems and Latin America typifies the debt problem associated with the international banking system and actually threatened the stability of the banking system in the early 1980's because of the overextension of credit into Latin America and it affected the Japanese, North American and European banking systems roughly equally.

The CHAIRMAN. Well, they all three did.

Mr. MEISSNER. Yes. Yes, sir. The American banks had about 40 percent of the exposure. The Europeans approximately the same and the Japanese about 20 percent. In the 40 percent I would include the Canadians.

So that it was an international crisis that actually threatened the stability of the OECD banking system and it in essence took about 10 years to work it out.

Senator PACKWOOD. How do these things happen? Did we all just assume energy prices were going up and these were just basically tied to at least commodity or energy prices?

Mr. MEISSNER. Yes. Well, first of all you are dealing with a regulated industry. This was not done in secret without the regulators. They knew what the exposure was. The initial stimulus was the recycling of petro dollars to those countries who could not pay the higher oil prices. Brazil being the primary example in Latin America. And the lending on the basis of projected earnings off of oil, let us say, to Mexico and Venezuela. So it was on both sides of the equation.

The point that actually brought this to a head and brought it down, all of this debt was lent on a floating rate basis. The Iran/Iraq crisis in 1978 and 1979 again quadrupled the oil prices. It was a decision by the Federal Reserve to raise interest rates and not go through the inflationary cycle that had occurred in the 1970's with the first oil crisis that drove interest rates—the prime rate was some place in the area of 18 to 20 percent.

We went into recession in the OECD countries in 1981 and 1982. In essence the capability for these countries to earn foreign exchange through exports to pay this debt was lost with the recession and yet they had extremely high costs for this money because it was all on floating rate.

As a result, you had Mexico go down in August of 1981 and Brazil in December of 1981. Those two countries represent approximately 50 percent of the exposure in Latin America by most American banks and in almost all cases in terms of at least the big 10 American banks who are involved in international banking, they had at least 100 percent of their capital exposed in Latin America, not to say the other debt problems that appeared elsewhere.

So it was a critical crisis. The Federal Reserve and in essence the central banks in the BIS system worked closely with the IMF, and the World Bank, in providing liquidity. And, in fact, the first 6

years it was a matter of providing liquidity and working out the restructuring in the last three to 4 years under what became the Brady plan. Basically you cancelled about one-third of the debt.

The only country that has not been worked out to this point is Brazil.

Senator PACKWOOD. I just turned to the Chairman and remarked that yours was an intelligent answer. It really is and you explained it in lay language.

Mr. MEISSNER. Thank you.

Senator PACKWOOD. Which we sometimes do not get. Have you got any personal views about MFN for China and human rights?

Mr. MEISSNER. That is a very tough question and much more difficult to answer. I think that in all foreign policy and foreign economic policy, you have to have a balance of objectives.

I had the pleasure and honor of serving in the Carter Administration and bringing human rights to the floor as a major issue in our foreign policy. If you will remember at that time, there was an effort in the international financial institutions in terms of their lending to take into consideration the human rights issue.

And much of, I think, the progress in Latin America that we see today began during this period and the impetus for political change and economic reform began in this period.

I think very similar considerations are taken into view in terms of China. I think that it is an important issue. But it has to be balanced also with our economic needs and balanced with an understanding that the economic reforms that are taking place in China and the economic growth that has taken place in China are by necessity opening that country to information, information flows to internal population flows, to more of an open society.

But I think what we would like to see in China over time is a pluralistic society with effective institutions. We have a dialogue with the Chinese. The question is, can we carry on that dialogue and carry on our economic relations.

I have not been briefed in terms of the internal discussions in the administration on this issue. But I think we need a balance between our economic issues and our idealistic issues in terms of promotion of a pluralistic society. I hope we could reach agreement with the Chinese on those issues.

Senator PACKWOOD. Assuming no facts change from what we know them now to be, what would be your advice to the President as to whether he should extend it or not?

Mr. MEISSNER. Oh, these hypothetical questions are very hard. I think I come down on the economic side, Mr. Packwood. I feel that we have to continue our commercial relationships with China. But I think we also need to have a very strong dialogue with the Chinese as to what it means to be a member of the international community and what areas of human and civil rights we would expect to be respected, both under the U.N. Charter and in terms of our bilateral relationships. I think we have to be clear on that also.

Senator PACKWOOD. Again, a good answer and I understand it. Thank you.

Mr. Chairman, thank you.

The CHAIRMAN. Thank you, sir.

Senator Bradley?

Senator BRADLEY. Mr. Chairman, I have no questions other than to congratulate the two nominees.

The CHAIRMAN. Very succinctly.

Senator Rockefeller?

Senator ROCKEFELLER. I have no questions myself. I thought your answer was very good on that.

I want to point out that one of the reasons that if Sue Esserman is confirmed that she will do well is because sitting right behind her is Mr. Paul Joffe, who up until a month or so ago told me what to do in about 15 different areas.

Ms. ESSERMAN. I fully concur with that.

The CHAIRMAN. I think there is an enormous amount of agreement in this room right now. Before it dissipates, I would like to suggest that a quorum having been established——

Oh, Senator Chafee, good morning, sir.

Senator CHAFEE. Good morning, Mr. Chairman.

The CHAIRMAN. Would you like to address the nominees, Ms. Esserman and Mr. Meissner?

Senator CHAFEE. No, thank you very much. [Laughter.]

[Whereupon, at 10:50 a.m., the hearing was adjourned.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED

PREPARED STATEMENT OF SUSAN G. ESSERMAN

Mr. Chairman and members of the Committee, it is an honor and a privilege to appear today as President Clinton's nominee for the position of Assistant Secretary of Commerce for Import Administration. I would like to express my deep appreciation to President Clinton for nominating me and to Secretary Brown for his support. I would also like to thank the Members of the Committee and staff who have taken their valuable time to meet with me over the past few weeks.

It has long been my hope and aspiration to serve in government and represent my country. From early in my childhood, my parents taught me—both by word and deed—the importance of contributing to our society. They passed on to me their intense interest in public policy. It is because of these abiding values and interests that I am particularly grateful to have the potential opportunity to serve in government.

I believe that my background as a trade lawyer has prepared me well for the duties of Assistant Secretary. I have gained extensive experience under the full range of U.S. trade laws, including the antidumping and countervailing duty laws. In addition, I have counseled a wide range of U.S. industries and companies on trade policy issues and strategies, with a particular emphasis on enhancing U.S. manufacturers' access to the Japanese market.

My work on behalf of U.S. industries has heightened my appreciation of the innovativeness and competitiveness of American companies. It has also given me a concrete understanding of the vital importance of ensuring that unfair trade practices by foreign competitors and governments do not prevent American companies from realizing their potential. The central role that timely trade relief can play in the survival and competitiveness of American firms was deeply impressed on me as a result of my experience on behalf of Harley-Davidson. Effective application of our trade laws provided the margin of difference between Harley's demise and its opportunity to flourish as a successful world competitor. It is particularly gratifying to observe Harley's remarkable accomplishments since the trade relief eliminated the threatening Japanese practices.

As a result of these experiences as well as the work I have done on behalf of foreign companies, I have gained a solid understanding of what it will take to enforce the antidumping and countervailing duty laws aggressively and fairly. Of equal importance, I have gained a first-hand appreciation of the crucial commercial importance of the antidumping and countervailing duty laws. These laws are the cornerstone of the open trading system we seek—the government's guarantee of fairness upon which American industries can rely as they work to build a strong and secure economic future for this country. These laws are even more important today with the globalization of markets and the expansion of international trade.

I welcome the challenges I would face if I were confirmed as Assistant Secretary. I look forward to working with the talented and dedicated professionals in Import Administration in addressing the complex factual and legal issues arising under the antidumping and countervailing duty laws.

I recognize the special challenges presented at this time by the need to develop effective antidumping and countervailing duty legislation to implement our Uruguay Round commitments. If confirmed, I will work closely with this Committee to ensure that this legislation is the strongest possible consistent with our GATT commitments. I will dedicate myself to ensuring that U.S. companies are not forced to compete in the U.S. market against injurious, unfairly traded imports. American indus-

try needs and deserves no less. If confirmed, I look forward to working with the Congress to achieve these goals.

Thank you very much for the opportunity to appear before you this morning. I will be pleased to answer any questions you may have.

Attachment.

PN 971

The White House,

NOV 10 1993

19

To the

Senate of the United States.

I nominate

Susan G. Esserman, of Maryland,

to be an Assistant Secretary of Commerce, vice Alan M. Dunn,

resigned.

WILLIAM J. CLINTON

Response to Outline of Information Requested
by Senate Finance Committee
Susan G. Esserman

PART A

1. Susan G. Esserman (birth name: Gayle Susan Esserman)
2. 9513 Brooke Drive
Bethesda, MD 20817
3. Place of Birth: Chicago, Ill.
Date of Birth: June 20, 1952
4. Married to Andrew H. Marks
5. Children: Stephen (age 9), Clifford (age 5), and
Michael (age 2).

6.	<u>Schools Attended</u>	<u>Dates Attended</u>	<u>Degree</u>
	University of Michigan Law School	8/74 - 5/77	J.D. 1977
	Wellesley College	8/70 - 6/72 8/73 - 6/74	B.A. 1974
	Williams College	8/72 - 6/73	----

7.	<u>Position</u>	<u>Employer</u>	<u>Dates</u>
	Clerical	State's Attorneys' Office Miami, Florida	Summer 1974
	Law Clerk	Kelly, Black, Black & Kenney Miami, Florida	Summer 1975
	Summer Associate	Steptoe & Johnson Washington, D.C.	Summer 1976
	Judicial Clerk	Honorable Oliver Gasch U.S. District Judge	August 1977 to August 1978
	Associate	Steptoe & Johnson Washington, D.C.	Oct. 1978 to Dec. 1984
	Partner	Steptoe & Johnson Washington, D.C.	Jan. 1985 to Nov. 1993

8. My prior government experience was as a judicial clerk to the Honorable Oliver Gasch, U.S. District Judge for the District of Columbia (August 1977 - August 1978).
9. I am a member of the American Bar Association, District of Columbia Bar, Florida Bar, Washington Hebrew Congregation, Washington Wellesley Club, Women's Legal Defense Fund, National Women's Law Center Network, Women's Bar Association, United States Holocaust Memorial Museum, Jewish Community Center of the District of Columbia, Palisades Swimming Pool Association, Inc., Bethesda Country Club, Bradley Boulevard Civic Association, Emily's List, Washington Chamber Symphony, Washington Opera Guild, Resident Associate of the Smithsonian Institution, and Friends of the National Zoo.
10. I was a member of the Washington Steering Committee for the Clinton/Gore campaign in 1992. To the best of my recollection, I made financial contributions to the following campaigns (amounts are provided to the extent the information is available): Terry for Governor Campaign (1993)--\$100; Clinton for President (1992)--\$1,000; Democratic National Committee (1992)--\$1,100; Mosely Braun for Senate Campaign (1992); Maryland Democratic Party (1992)--\$100; Chiles for Governor Campaign (1992)--\$100; Morella Campaign (1990)--\$100; Dukakis Campaign (1988)--\$1,000; Democratic National Committee Victory Fund (1988)--\$250; Mondale for President Committee (1984)
11. As Chair of the D.C. Bar International Law Section, I received the D.C. Bar Award for the most outstanding Section of the D.C. Bar (1989). I was a member as well as a senior editor of the Law Review of the University of Michigan Law School. I graduated from Wellesley College with Honors.

12. Published Writings:

Co-author with Richard O. Cunningham of chapter on "Section 406 of the Trade Act of 1974: Relief From Market Disruption Caused By Communist Country Imports in United States" in United States Regulation of International Trade (Oceana Publications, Inc. 1987)

I have spoken at the Court of International Trade Judicial Conference and my remarks (along with those of other speakers at the conference) have been published: (1) The Injury Standard--The Courts' Influence on the ITC, 117 F.R.D. 185, 212 (Oct. 1986); and (2) Standing and Accuracy of Decisionmaking Under the Bifurcated Structure of the Antidumping and Countervailing Duty Laws, 137 F.R.D. 509, 599 (Oct. 1990).

"Individual Rights Within the Public School System: Challenges to the Substantive Curriculum," 74 Michigan Law Review 1420-1447 (1976).

13. Speeches:

Speech on Antidumping Issues Arising Before the Department of Commerce, Georgetown University Law Center Conference (appended as Attachment A)

14. During my fifteen years in law practice, I specialized in international trade law. I was involved in a wide range of trade policy and litigation, including antidumping, countervailing duty, Section 201, Section 301, Section 406, and GSP cases. I represented a cross-section of U.S. industries and companies--including labor-intensive, commodity, and high technology sectors. As a result, I am familiar with the array of problems and challenges confronting these diverse U.S. industries.

PREPARED STATEMENT OF CHARLES F. MEISSNER

Mr. Chairman, Members of the Committee: It is an honor to appear before you today. If the Chairman concurs, I would like to make a brief statement after which I would be pleased to respond to any questions the members of the committee may have.

I would first like to take this public opportunity to thank President Clinton for nominating me for the position of Assistant Secretary of Commerce for International Economic Policy (IEP), and to thank Secretary Brown and Under Secretary Garten for supporting my nomination. It is with great pleasure that I look forward to becoming part of this Administration and once again being able to serve the American people and the trade interests of the United States.

Second, I would like to thank my family for their support throughout my career and during this nomination process. There are many who have helped me in my career, but none more so than my family. I am pleased that my wife, Doris, is here today. Like me, she has chosen to return to Government and serve in this Administration. My daughter Christine is serving in a different way. She left very recently to work in the Peace Corps in Costa Rica. My son Andrew, having just graduated from the University of Pittsburgh, is now seeking to begin a career in the Pittsburgh area.

Mr. Chairman, international economic policy is of great importance to America's global trade and investment interests today. In the context of U.S. foreign policy, we must raise economics to a level of equal footing with political and national security concerns. The economic objective of this Administration is quite clear. We are, to the best of our ability, to create jobs in the United States for American workers. If confirmed by the United States Senate, I will be pleased to join Secretary Brown's Department and the Administration's team to work toward this objective.

The agenda of issues is both broad and important—

- Working with Canada and Mexico, we must create an atmosphere for labor and business that will allow NAFTA to reach its full potential to build trade and create jobs;
- Working with U.S. firms, we must assure global protection of their intellectual property and other trade rights under domestic laws and multilateral trade agreements;
- Working with Western Europe and Japan, we must provide greater access for the export of U.S. agricultural and manufactured products as well as services;
- Working with the advanced developing countries, we must assure the access of U.S. exports to the big emerging markets;
- Working with the U.S. financial sector and U.S. Government credit agencies, we must assure that our exports can be financed so American firms can win more international deals; and
- Working with U.S. business and our allies, we must stabilize the economies of the former Soviet Union and the peace process in the Middle East.

Mr. Chairman, this is an agenda of foreign commercial policy: trade policy, investment policy, intellectual property policy and trade finance policy. It cannot be achieved by imposing our views. It must be achieved through negotiation and consensus within the Administration, between the Administration and Congress, between the U.S. Government and the multitude of interests this agenda affects, and among the United States and its trading partners.

If executed well, our strategies will create jobs and prosperity in the United States. But we should not, we cannot, and we shall not conclude agreements that do not achieve this end.

Mr. Chairman, I appear before this Committee so that you might make a judgment as to my competence and capabilities to manage the position in which the President and Secretary Brown have asked me to serve. I have been involved in international economics all my life, and I believe my qualifications enable me to advance the international economic interests of the United States in this position.

As a student, I majored in economics and hold a Masters Degree in that subject and a Ph.D. in agricultural economics with an emphasis on international economic development. I have served my government on the international side of the U.S. Department of Treasury, as a staff member of the Committee on Foreign Relations of the U.S. Senate and as a Deputy Assistant Secretary and Ambassador at Large at the U.S. Department of State. I have served both Republican and Democratic presidents in the Executive Branch, and both sides of the aisle in the U.S. Senate.

Over the past 10 years, I worked in international banking, first for Chemical Bank in New York and now for the World Bank here in Washington. I have seen the difficulties American companies face in entering foreign markets and in obtaining the financial and other support they need.

I actually began my government career as an officer in the U.S. Army in Viet Nam. I consider it an honor to have served my country in the military and share a great deal of respect for my military colleagues who served with me. I look forward to utilizing my experience to further serve my country, and I hope that this Committee and the U.S. Senate will confirm my nomination with all due speed in order to grant me the privilege of this service.

Thank you, Mr. Chairman and Members of the Committee.

I am ready to answer any questions you may have for me.

Attachment.

PVP 75

The White House,

19

NOV 16 1993

To the
Senate of the United States.

I nominate Charles F. Meissner, of Maryland,

to be an Assistant Secretary of Commerce, vice Thomas J.

Duesterberg, resigned.

WILLIAM J. CLINTON

United States Senate Information Requested
of Nominees

Position: Department of Commerce, Assistant Secretary for
International Economic Policy (IEP)

A. BIOGRAPHICAL INFORMATION:

1. Charles F. Meissner
2. 4619 De Russey Pkwy, Chevy Chase, MD 20815
3. January 11, 1941, Milwaukee, Wisconsin
4. Married to Doris Marie Borst
5. Christine M. Meissner - 29
Andrew D. Meissner - 24

6. Whitefish Bay High School, Milwaukee, Wisconsin
High school Diploma - June 1959

University of Wisconsin - Madison, Wisconsin
Attended Undergraduate School
September 1959 - June 1962
September 1963 - June 1964

Degrees from University of Wisconsin
B.S. in Letters of Science, June 1964
M.S. in Economics, January 1967
Ph.D. in Agricultural Economics, January 1969

7. Please see attached resume for job duties.

May 1992 to present - Manager (Division Chief), World Bank, 1818 H Street, N.W., Q Building, Room 5031, Washington, D.C. 20433.

April 1983 to May 1992 - Vice President, Chemical Bank, 270 Park Avenue, New York, NY 10172.

June 1977 to April 1983 - Ambassador-at-Large, U.S. Department of State, Bureau of Economic and Business Affairs, 23rd and C Street, N.W., Washington, D.C.

June 1973 to June 1977 - Professional Staff Member, United States Senate, Committee on Foreign Relations, Washington, D.C.

February 1971 to June 1973 - Staff Member, Office of the Assistant Secretary for International Affairs, U.S. Department of Treasury, Washington, D.C.

February 1969 to November 1970 - Basic Infantry Officer Training, Ft. Benning, Georgia. Intelligence Training, Ft. Holibird, Baltimore. Military Assistance Command Vietnam, Saigon, Vietnam (15 months).

8. My government experience is reflected in the attached resume. In essence, I was a U.S. Government employee from February 1969 until April 1983. I served in the U.S. Army, U.S. Department of Treasury, U.S. Senate and U.S. Department of State. While employed in the private sector, I remained a consultant to the Department of State on a pro bono publico basis for approximately two years (1983-1984). I also was a private sector representative on the public advisory committee to the OECD Committee in Financial Markets from approximately 1985-1990. In 1990-1991, I served for one year on the public advisory board of the U.S. Export Import Bank. Advisory service on both committees was on a pro bono publico basis.

9. - Bankers' Association for Foreign Trade
President, 1990-1991
Vice President, 1989-1990
Board Member, 1991-1992
- Council on Foreign Relations, member, 1983 to present.
- Council on Excellence in Government, member, 1987 to present.
- University of Wisconsin Student Union, Board of Trustees, 1990 to present. Member since graduation, 1964.
- Diplomatic and Counselor Officers Retirement Organization, 1988 to present, member.

10. I have been a registered Democrat over the last 10 years, first in the State of New York and now in the State of Maryland. I have contributed to the Democratic Parties in both states but never more than one or two hundred dollars per year. I am also a member of the Democratic National Committee but with the two

exceptions noted below, have never contributed, to the best of my memory, more than two hundred dollars per year. I have on occasion supported municipal, state and federal office campaigns of Democratic and Republican candidates, although the great preponderance of support is Democratic. No contributions were more than one hundred dollars except the U.S. Senate primary candidacy of Mr. John Dyson in the State of New York where the contribution was five hundred dollars. I contributed two thousand dollars to the Dukakis Campaign, roughly split between the primary campaign and the National campaign. A thousand dollars was contributed to the Clinton campaign, approximately one half during the primaries and one half through the Democratic National Committee, after the nomination. I have not actively participated in any campaign organizations nor contributed to any political action committees.

11. Graduate School: National Education Act Fellowship
Ford Foundation Research Fellowship

University Honors: Junior and Senior Men's Honors
Societies
Undergraduate Economics Honor Society
Graduate School Agricultural Economics
Honor Society

Military Honors: Army Commendation Medal
Joint Service Commendation Medal
Bronze Star for Service

12. Foreign Policy Number 56, Fall 1984. "Debt: Reform Without Governments."

13. I have given no speeches in the last three years.

14. The Office of the Assistant Secretary for International Economic Policy at the Department of Commerce has a number of responsibilities for which I am well qualified: foreign economic policy formulation in general and more specifically foreign commercial policy; business counseling to increase U.S. exports; close coordination with the relevant committees of the U.S. Congress; and Administration of the offices reporting to the Assistant Secretary.

(i) Policy Formulation: My academic training focused on economics and I hold a Ph.D. in Agricultural Economics with an emphasis on international economics and development economics. I have worked in the field of international economics for over 20 years. Issues to which I have been exposed include international monetary and foreign exchange policy, trade policy, development and aid policy and the commercial policy issues of investment, intellectual property rights and trade finance. Given that international economic policy is formulated on an interagency basis my experience at the Department of Treasury and State Department well qualifies me for interagency work. Likewise, I strongly believe in partnership between the Executive and Legislative branches of the U.S. Government. Only if we stand united will we win the global commercial competition that we will face over the next decade. My service as a professional committee staff member in the U.S. Senate should aid me in my future work with Congress. Finally, my experience negotiating for the U.S. Government and the private sector provides both the background and the level of confidence necessary to deal with our commercial competitors. I have a good foundation of knowledge about Japan, the European Community, Latin America and the Far East.

(ii) Business Counseling: Having been exposed to the transaction orientation of private business for nine years, I have worked under the pressure of bottom line economics. Market information, the basic ingredient of counseling, is a key to a well functioning market. Both small, medium size and large firms have a need to solid commercial information on trade issues, intellectual property rights and trade finance. Nine years of private sector experience will assist me in understanding these needs of American exporters.

(iii) Congressional Coordination: Between 1973 and 1977, I had the privilege of being a professional staff member of the Senate Foreign Relations Committee. I initially worked on the Church Subcommittee on Multinational Corporations, then as the economist for the full committee and finally as the staff director of the Humphrey Subcommittee on Foreign Aid. During 1974 and 1975, I was involved in extensive oversight in Vietnam and came to respect the importance of checks and balances in our federal system. With this experience in mind, it is my intent to work closely with the relevant Committees of the Congress.

(iv) Administration: In an era when foreign economic policy is an integral part of the Administration's domestic economic policy, i.e., we are committed to generate jobs in a global market and when economic interests are to be put on a par with national security and political interests, IEP is being asked to do more with fewer resources. It is my desire to use my past experience in the executive branch and in Congress to secure the resources necessary to do the job that needs to be done. New employees with international business experience must be hired and the offices equipped with up to date electronic communications and word processing capabilities. Our "customers" have more advanced equipment than we. Verbal communication is now the norm because of a lack of equipment. It will take three years of hard work to establish an adequate base of resources, personnel and equipment.

ISBN 0-16-044307-5



9 780160 443077

90000

